

superintendent of public instruction by June 15, of each year the amount of moneys the district will fail to receive during their present fiscal year due to the nonpayment of local property taxes from the regular levy within the school district less an estimated amount for delinquent payments from prior year regular levies; such net estimate shall be based upon the amount of moneys the district failed to receive because of nonpayment of regular levy property taxes during the first six months of the then fiscal year and during the last six months of the preceding fiscal year. The superintendent of public instruction shall present in his budget submittal to the governor an amount sufficient to reimburse the school districts for moneys lost due to such nonpayment of taxes as described in this section, which moneys shall be deemed amounts needed for state support to the common schools under RCW 28A.41.050.

NEW SECTION. Sec. 3. This 1972 amendatory act is necessary for the immediate preservation of the public peace, health and safety, the support of the state government and its existing public institutions, and section 1 shall take effect July 1, 1972, and section 2 shall take effect immediately.

Passed the Senate February 18, 1972.

Passed the House February 18, 1972.

Approved by the Governor February 25, 1972.

Filed in Office of Secretary of State February 28, 1972.

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CHAPTER 147

[Engrossed Second Substitute Senate Bill No. 206]

WASHINGTON STATE TEACHERS' RETIREMENT SYSTEM

AN ACT Relating to the Washington state teachers' retirement system; providing for retirement of certain members at age fifty-five with twenty-five years of service with no actuarial reduction in benefits; changing certain options and allowances upon a member's disability becoming permanent; adjusting certain current and prior pensions with respect to the cost-of-living; permitting deductions from retirement benefits for health care premiums; authorizing transfer from the teachers' retirement system to the Washington public employees' retirement system and for new employees hereinafter qualified for the teachers' retirement system to become members of the Washington public employees' retirement system; amending section 48, chapter 80, Laws of 1947 as last amended by section 2, chapter 35, Laws of 1970 ex. sess. and RCW 41.32.480; amending section 1, chapter 35, Laws of 1970 ex. sess. and RCW 41.32.4932;

amending section 7, chapter 35, Laws of 1970 ex. sess. and RCW 41.32.4943; adding new sections to chapter 41.32 RCW; adding a new section to chapter 41.40 RCW; making appropriations; and providing an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 48, chapter 80, Laws of 1947 as last amended by section 2, chapter 35, Laws of 1970 ex. sess. and RCW 41.32.480 are each amended to read as follows:

(1) Any member who has left public school service after having completed thirty years of creditable service may retire upon the approval by the board of trustees of an application for retirement filed on the prescribed form. Upon retirement such member shall receive a retirement allowance consisting of an annuity which shall be the actuarial equivalent of his accumulated contributions at his age of retirement and a pension as provided in RCW 41.32.497 as now or hereafter amended. Effective July 1, 1967, anyone then receiving a retirement allowance or a survivor retirement allowance under this chapter, based on thirty-five years of creditable service, and who has established more than thirty-five years of service credit with the retirement system, shall thereafter receive a retirement allowance based on the total years of service credit established.

(2) Any member who has attained age sixty years, but who has completed less than thirty years of creditable service, upon leaving public school service, may retire upon the approval by the board of trustees of an application for retirement filed on the prescribed form. Upon retirement such member shall receive a retirement allowance consisting of an annuity which shall be the actuarial equivalent of his accumulated contributions at his age of retirement and a pension as provided in RCW 41.32.497 as now or hereafter amended.

(3) Any member who has attained age fifty-five years and who has completed not less than twenty-five years of creditable service, upon leaving public school service, may retire upon the approval by the board of trustees of an application for retirement filed on the prescribed form. Upon retirement such member shall receive a retirement allowance which shall be the actuarial equivalent of ((the sum necessary to pay regular retirement benefits as of the earliest date upon which he could otherwise retire under subsections (1) and (2) of this section)) his accumulated contributions at his age of retirement and a pension as provided in RCW 41.32.497 as now or hereafter amended.

Sec. 2. Section 1, chapter 35, Laws of 1970 ex. sess. and RCW 41.32.4932 are each amended to read as follows:

(1) "Index", for purposes of this section, shall mean, for any calendar year, that year's annual average consumer price index for

urban wage earners and clerical workers, all items (1957-1959 equal one hundred) compiled by the Bureau of Labor Statistics, United States Department of Labor ((†)).

(2) "Prior pension" shall mean the pension portion of any retirement allowance computed and payable under the pre-July 1, 1969 provisions of RCW 41.32.480 or 41.32.497, including all options available under RCW 41.32.530, survivor retirement under RCW 41.32.520, subsection (2), and disability retirement under RCW 41.32.540, to any recipient based upon an effective date which is prior to July 1, 1969 ((†)).

(3) "Current pension" shall mean the pension portion of any retirement allowance computed and payable under the provisions of RCW 41.32.497 as now or hereafter amended, including all options available under RCW 41.32.530, survivor retirement pensions under RCW 41.32.520, subsection (2), and disability retirement pensions under RCW 41.32.540 and 41.32.550, to any recipient based on an effective retirement date which is on or after July 1, 1969 ((†)).

(4) Effective July 1, 1970, every prior pension which is computed and then being paid under the provisions of RCW 41.32.480, which is less than five dollars and fifty cents per month for each year of service credit established with the retirement system as of July 1, 1970, shall be increased to five dollars and fifty cents per month for each year of service credit of record on July 1, 1970, except for actuarial adjustments required under Option 2 and Option 3 retirement plans as provided in RCW 41.32.520 or 41.32.530 ((†)).

(5) Effective July 1, 1970, every prior pension which is then being paid to a retired member who qualified or who may qualify for a pension of five dollars and fifty cents per month for each year of service credit, as provided under RCW 41.32.4931, shall be adjusted to that dollar amount which exceeds his adjusted pension of July 1, 1967 by the percentage difference which the retirement board finds to exist between the index for 1969 and the index for 1966 ((†)).

(6) Effective July 1, 1970, every prior pension which is computed and then being paid under RCW 41.32.497 to any recipient, based upon an effective retirement date which is prior to July 1, 1969, shall be adjusted to that dollar amount which exceeds its original dollar amount by the percentage difference which the retirement board finds to exist between the index for 1969 and the index for the calendar year prior to the effective retirement date of the person to whom, or on behalf of whom, such retirement allowance is being paid: PROVIDED, That no prior pension shall be less than five dollars and fifty cents per month for each year of service credit established with the retirement system except as adjusted actuarially under Option 2 and Option 3 retirement plans, as provided in RCW 41.32.520 or 41.32.530.

(7) Effective July 1, 1970, every current pension which is then being paid, which is less than five dollars and fifty cents per month for each year of service credit established with the retirement system, shall be increased to five dollars and fifty cents per month for each year of service credit, except as actuarial adjustments are required under RCW 41.32.480, 41.32.520, or 41.32.530.

(8) Effective July 1, 1972, every prior pension and every current pension which became effective prior to July 1, 1971, and which is then being paid to any retired member or his designated beneficiary shall be adjusted to that dollar amount which bears the ratio to its original dollar amount which the board of trustees finds to exist between the index for calendar year 1970 and the index for calendar year 1969.

(9) Effective July 1, 1972, every current pension which became effective July 1, 1969, through and including June 30, 1970, shall be further adjusted to that dollar amount which bears the ratio to its original dollar amount which the board of trustees finds to exist between the index for calendar year 1969 and the index for calendar year 1968.

Sec. 3. Section 7, chapter 35, Laws of 1970 ex. sess. and RCW 41.32.4943 are each amended to read as follows:

The funds necessary for the payment of benefits under subsections (4), (5), (6) and (7) of RCW 41.32.4932 shall be provided on a biennial basis as payment of benefits are due and shall constitute a separate appropriation transfer from the state general fund to the teachers' retirement system and shall include such separate transfer of funds as now required for the payment of benefits under RCW 41.32.493, 41.32.4931, 41.32.494, and RCW 28.81.170 (reenacted as RCW 28B.10.465), 41.32.480 and 41.32.561 as amended in chapter 151, Laws of 1967, regular session. Funds required for the payment of benefits under RCW 41.32.480, 41.32.497 and 41.32.550 as the same were amended by chapter 35, Laws of 1970 ex. sess., shall be provided in accordance with RCW 41.32.401(~~PROVIDED, That all funds required for the payment of benefits, under RCW 41.32.480, 41.32.4932, 41.32.4943, 41.32.497, 41.32.550 and 28.81.170 (reenacted as RCW 28B.10.465), for the fiscal year July 1, 1970 through June 30, 1971 shall be paid from general fund transfers to the teachers' retirement system as authorized in chapter 282, laws of 1969 ex. sess).~~).

NEW SECTION. Sec. 4. There is added to chapter 41.32 RCW a new section to read as follows:

Any group of not less than one hundred retired members may authorize the deduction from their retirement allowances, of the amount or amounts of their subscription payments, premiums, or contributions to any person, firm or corporation furnishing or

providing medical, surgical and hospital care or other health care insurance upon the approval by the board of trustees of an application for such deduction on the prescribed form, and the treasurer of the state shall duly and timely draw and issue proper warrants directly to and in favor of the person, firm, or corporation, or organization named in the authorization for the total amount authorized to be deducted.

NEW SECTION. Sec. 5. A publicly elected official who having served twelve consecutive years in office and who, retiring from office on or before January 10, 1973 and who is currently a member of the Washington State Teachers' Retirement System, may transfer to the Washington Public Employees' Retirement System provided such transfer is made by February 1, 1973.

NEW SECTION. Sec. 6. There is hereby appropriated from the general fund to the Washington state teachers' retirement system for the biennium ending June 30, 1973, the sum of twenty-five thousand dollars, or so much thereof as necessary to carry out the purposes of section 1 of this 1972 amendatory act.

NEW SECTION. Sec. 7. There is hereby appropriated from the general fund to the Washington state teachers' retirement system for the biennium ending June 30, 1973, the sum of one million two hundred thousand dollars, or so much thereof as necessary to carry out the purposes of section 2 of this 1972 amendatory act.

NEW SECTION. Sec. 8. Notwithstanding any other provision of law, any funds appropriated to the Washington state teachers' retirement system from the general fund for the biennium ending June 30, 1973, shall be reduced by the appropriations contained in this act.

NEW SECTION. Sec. 9. The effective date of this 1972 amendatory act shall be July 1, 1972.

NEW SECTION. Sec. 10. If any provision of this 1972 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

Passed the Senate February 19, 1972.

Passed the House February 18, 1972.

Approved by the Governor February 25, 1972.

Filed in Office of Secretary of State February 28, 1972.

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CHAPTER 148

[Engrossed Senate Bill No. 207]

TAXATION OF TIMBER AND FOREST LANDS

AN ACT Relating to revenue and taxation of timber and forest lands;